

24 JUN 1977

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Intelligence
Deputy Director for Operations
Deputy Director for Science and Technology
Director, Equal Employment Opportunity
General Counsel
Legislative Counsel
Inspector General
Comptroller

FROM : Stansfield Turner
Director

SUBJECT : Control of Year-End Buying

REFERENCE : President Carter's Memorandum for the Heads of
Executive Departments and Agencies,
dtd. 14 June 1977, Same Subject

The referent memorandum from President Carter (copy attached) addresses a problem of continuing concern, and one which I feel deserves attention by all Agency managers. I expect full compliance with both the spirit and intent of the President's memorandum. Toward this end, you should take steps to minimize year-end buying to the extent possible and should ensure that obligations for the fourth quarter of the current fiscal year are incurred for only those items and activities that are essential to the continuing operations of the Agency.

/s/ Stansfield Turner

STANSFIELD TURNER

Attachment:
As Stated

Distribution:

- 1 - Each Addressee
- 1 - DCI
- 1 - DDCI
- 1 - ER

THE WHITE HOUSE

WASHINGTON

June 14, 1977

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Control of Year-End Buying

Your support thus far in our efforts to eliminate duplication and waste in the Federal Government has been gratifying. I appreciate, in particular, your determination and willingness to re-examine existing programs and practices and to apply new procedures and concepts (such as zero-base budgeting) so as to achieve more efficient management and operation of Federal programs.

Consistent with these efforts, I want to bring to your attention a potential problem that needs to be addressed by all of us -- "year-end buying." This becomes a problem when an agency rushes to use funds in the last few weeks of the fiscal year without clear and desirable reasons for doing so. Such a practice is generally an attempt to use up funds that would otherwise lapse because the availability of unobligated funds is greater than is necessary to carry out approved programs.

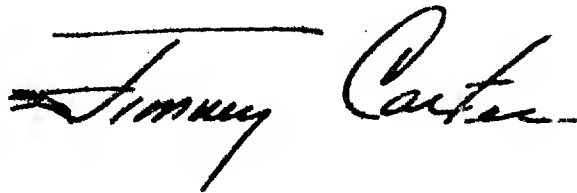
I do not want "year-end buying" to undermine or offset any efforts to reduce costs and eliminate waste. Prudence must be exercised at all times in purchasing goods and services. Special attention is needed at the year's end to resist the temptation to use up available appropriations unnecessarily. Accordingly, I ask that each of you issue internal instructions in your department or agency to assure that:

- obligations for the fourth quarter of the fiscal year do not exceed obligations for the third quarter, except where a higher level is fully justified to carry out a seasonal requirement or an essential program objective or to restore to approved levels in an orderly way a program which has slipped behind schedule.

2

- orders for supplies, materials, and equipment are kept to the minimum required to meet approved program needs.
- purchases are managed so that inventories are maintained at low optimum levels.
- additional purchase orders and contracts for goods or services (for delivery extending into the next fiscal year) are let when doing so results in a cost advantage to the Government.

I count on your full cooperation and personal attention in maximizing the economies that can be achieved through rational control of year-end buying.

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J" and a long horizontal line extending to the right. The last name "Carter" is written in a similar cursive style, with a long horizontal line extending to the right.

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E ONLY ☐ CONFIDENTIAL ☐ SECRET

Approved For Release 2004/03/11 : CIA-RDP80M00165A002200070006-8

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Control of Year-End Buying

FROM:

Comptroller

EXTENSION

4456

NO.

DATE

22 JUN 1977

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

DDCI

2.

DCI

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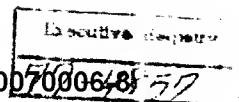
13.

14.

15.

Regarding the attached Presidential memorandum on year-end buying, we have always attempted to avoid excessive obligations in the fourth quarter. Our success in years past has been somewhat uneven, but in general our record is not all that bad. Each year an Agency Notice is issued (see attached in which lead-time requirements for procurement and contract services are outlined. We believe this helps to reduce the magnitude of last-minute buying to use year-end funds. We also believe this complies with the spirit and intent of the President's memorandum. However, you might wish to send the Deputy Directors a brief note calling attention to the Presidential admonition and emphasizing the need to ensure that only essential activities are funded in the fourth quarter. A suggested memorandum to this effect is attached for your consideration.

James H. Taylor
Comptroller



THE WHITE HOUSE
WASHINGTON

June 14, 1977.

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

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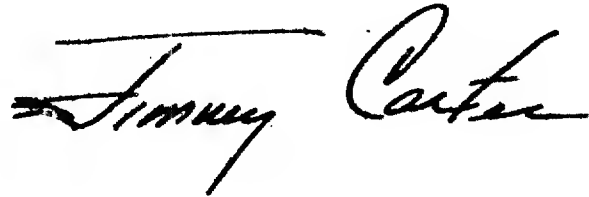
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FOR THE SECRETARY OF THE WHITE HOUSE
[Signature]

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ER

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Routing Slip

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1	DCI		X		
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16	A/DCI/PA				
17	AO/DCI				
18	C/IPS				
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SUSPENSE		Date _____			

Remarks:

Please prepare internal instruction and review same with DDCI and DCI prior to issuance.

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